

# MAINE STATE LEGISLATURE

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(Emergency)  
(New Draft of S.P. 782, L.D. 2039)  
SECOND REGULAR SESSION

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ONE HUNDRED AND THIRTEENTH LEGISLATURE

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Legislative Document

No. 2494

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S.P. 946

In Senate, March 9, 1988

Reported by the Majority of the Committee on Labor and printed under Joint Rule 2. Original Bill sponsored by Senator COLLINS of Aroostook. Cosponsored by: Senator DUTREMBLE of York, Representative HEPBURN of Skowhegan, Representative TAMMARO of Baileyville.

JOY J. O'BRIEN, Secretary of the Senate

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND EIGHTY-EIGHT

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1           **AN ACT to Establish the Strategic Training for**  
2           **Accelerated Reemployment Program.**  
3

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4           **Emergency preamble.**       Whereas, Acts of the  
5 Legislature do not become effective until 90 days  
6 after adjournment unless enacted as emergencies; and

7           Whereas, the Strategic Training for Accelerated  
8 Reemployment Program is created to go into effect on  
9 January 1, 1988, and to begin training Maine residents

1 on July 1, 1988; and

2 Whereas, employers are notified in March of their  
3 unemployment insurance contribution rate amounts which  
4 are due by April 30, 1988; and

5 Whereas, in the judgment of the Legislature, these  
6 facts create an emergency within the meaning of the  
7 Constitution of Maine and require the following  
8 legislation as immediately necessary for the  
9 preservation of the public peace, health and safety;  
10 now, therefore,

11 Be it enacted by the People of the State of Maine as  
12 follows:

13 Sec. 1. 26 MRSA §1043, sub-§§31 to 33 are  
14 enacted to read:

15 31. STAR. "STAR" means Strategic Training for  
16 Accelerated Reemployment.

17 32. STAR contributions. "STAR contributions"  
18 means those money payments required under section  
19 1221, subsection 4, paragraphs A-1 and C-2 to be made  
20 into the STAR Fund by any contributing employer.

21 33. STAR program year. "STAR program year" shall  
22 be the 12-month period commencing on July 1st of each  
23 year.

24 Sec. 2. 26 MRSA §1166 is enacted to read:

25 §1166. STAR Fund

26 The STAR Fund shall be a special fund in the State  
27 Treasury. All STAR contributions shall be paid into  
28 this fund. Income from investment of this fund shall  
29 be deposited to the credit of the fund. All money in  
30 the fund shall be deposited, administered and  
31 disbursed in the same manner and under the same  
32 conditions and requirements as are provided by law for  
33 other special funds in the State Treasury.

34 The commissioner shall administer the fund

1 exclusively for the purposes of subchapter X and  
2 collecting STAR contributions and other payments  
3 required under subchapter X. Any balance in this fund  
4 shall not lapse but shall be available for expenditure  
5 consistent with subchapter X.

6 **Sec. 3. 26 MRSA §1192, sub-§6-C is enacted to**  
7 **read:**

8 6-C. Prohibition against disqualification of  
9 individuals in approved training under subchapter X.  
10 Notwithstanding any provisions of this chapter, the  
11 acceptance of training for opportunities available  
12 through subchapter X is deemed to be acceptance of  
13 training with state approval under federal or state  
14 law relating to unemployment benefits.

15 **Sec. 4. 26 MRSA §1221, sub-§1, ¶A, as amended**  
16 **by PL 1979, c. 651, §24, is further amended to read:**

17 A. Contributions shall accrue and become payable  
18 by each employer subject to this chapter, other  
19 than those liable for payments in lieu of  
20 contributions, for each calendar year in which  
21 he the employer is subject to this chapter, with  
22 respect to wages for employment, as defined in  
23 section 1043, subsection 11. Such These  
24 contributions shall become due and be paid by each  
25 employer to the bureau for the fund either the  
26 Unemployment Compensation Fund or the STAR Fund,  
27 as provided for in subsection 4, in accordance  
28 with such regulations as the commission may  
29 prescribe, and shall not be deducted, in whole or  
30 in part, from the wages of individuals in his  
31 employ employed by that employer.

32 **Sec. 5. 26 MRSA §1221, sub-§3, ¶A, as amended**  
33 **by PL 1983, c. 650, §2, is further amended to read:**

34 A. At the time the status of an employing unit is  
35 ascertained to be that of an employer, the  
36 commissioner shall establish and thereafter  
37 maintain until such employer status is terminated,  
38 for each such employer an "experience rating  
39 record," to which shall be credited all the

1 contributions which the employer thereafter pays  
2 on his own behalf. Nothing in this chapter  
3 shall may be construed to grant any employer or  
4 individuals in his that employer's service  
5 prior claims or rights to the amounts paid by  
6 him the employer into the fund. Benefits paid to  
7 an eligible individual under the Maine Employment  
8 Security Law shall be charged against the  
9 "experience rating record" of the claimant's most  
10 recent subject employer or to the General Fund if  
11 the otherwise chargeable "experience rating  
12 record" is that of an employer whose status as  
13 such has been terminated; except that no charge  
14 shall may be made to an individual employer but  
15 shall be made to the General Fund if the  
16 commission finds that:

17 (1) Claimant's separation from his the  
18 claimant's last employer was for misconduct  
19 in connection with his that employment, or  
20 was voluntary without good cause attributable  
21 to such employer;

22 (2) Claimant has refused to accept  
23 reemployment in suitable work when offered by  
24 a previous employer, without good cause  
25 attributable to such employer;

26 (3) Benefits paid are not chargeable against  
27 any employer's experience rating record in  
28 accordance with section 1194, subsection 11,  
29 paragraphs B and C;

30 (5) Reimbursements are made to a state, the  
31 Virgin Islands or Canada for benefits paid to  
32 a claimant under a reciprocal benefits  
33 arrangement as authorized in section 1082,  
34 subsection 12; provided that the wages of the  
35 claimant transferred to such other state, the  
36 Virgin Islands or Canada under such  
37 arrangement are less than the amount of wages  
38 for insured work required for benefit  
39 purposes by section 1192, subsection 5; or

40 (6) Claimant was hired by his the

1 claimant's last employer to fill a position  
2 left open by a Legislator given a leave of  
3 absence under chapter 7, subchapter V-A, and  
4 claimant's separation from this employer was  
5 because the employer restored the Legislator  
6 to the position after his the Legislator's  
7 leave of absence as required by chapter 7,  
8 subchapter V-A; or

9 (7) Claimant is enrolled in the STAR program  
10 created in subchapter X.

11 Sec. 6. 26 MRSA §1221, sub-§3, ¶E is enacted to  
12 read:

13 E. No STAR contributions may be credited to any  
14 employer's experience rating record.

15 Sec. 7. 26 MRSA §1221, sub-§4, ¶A, as amended  
16 by PL 1985, c. 348, §10, is further amended to read:

17 A. The standard rate of contributions shall be  
18 5.4%. No contributing employer's rate may be  
19 varied from the standard rate, unless and until  
20 his the experience rating record has been  
21 chargeable with benefits throughout the  
22 24-consecutive-calendar-month period ending on the  
23 computation date applicable to such year; each  
24 contributing employer newly subject to this  
25 chapter shall pay contributions at the average  
26 contribution rate, rounded to the next higher 1/10  
27 of 1%, on the taxable wages reported by  
28 contributing employers for the 12-month period  
29 immediately preceding the last computation date,  
30 provided such rate may not exceed 3.0% nor be less  
31 than 1%; provided that, with ~~repsect~~ respect to  
32 the rate year beginning January 1, 1986, and each  
33 rate year thereafter, the rate shall not exceed  
34 4.0% nor be less than 1% and until such time as  
35 his the experience rating record has been  
36 chargeable with benefits throughout the  
37 24-consecutive-calendar-month period ending on the  
38 computation date applicable to such year, and for  
39 rate years thereafter his the contribution rate  
40 shall be determined in accordance with subsections

1       3 and 4. Each contributing employer newly subject  
2 to this chapter is liable for the contributions  
3 provided for in paragraph A-1.

4       Sec. 8. 26 MRSa §1221, sub-§4, ¶A-1 is enacted  
5 to read:

6       A-1. Effective January 1, 1988, each contributing  
7 employer newly subject to paragraph A is liable  
8 for STAR contributions, if it is determined by the  
9 reserve multiple, as defined in paragraph C, that  
10 a schedule lower than "0" is to be in effect for  
11 that rate year. STAR payments shall be at the  
12 same rate that contributing employers are liable  
13 for in STAR payments under paragraph C-2 for that  
14 rate year. These contributions shall be deposited  
15 into the STAR Fund.

16       Sec. 9. 26 MRSa §1221, sub-§4, ¶¶C-1 and C-2  
17 are enacted to read:

18       C-1. Notwithstanding paragraph C-2, STAR  
19 contributions shall not be due for any rate year  
20 when either schedule "0" or schedule "P" is to be  
21 in effect.

22       C-2. Each employer subject to paragraph B is  
23 liable for STAR contributions in the amount as  
24 determined in subparagraphs (1) and (2). These  
25 contributions shall be deposited into the STAR  
26 Fund.

27       (1) If it is determined by the reserve  
28 multiple that schedule "N" is to be in effect  
29 for a given rate year, then STAR  
30 contributions shall be at the rate resulting  
31 from the difference between schedule "O" and  
32 schedule "N" as shown on the line of the  
33 table in paragraph B in column A where the  
34 reserve ratio is indicated.

35       (2) If it is determined by the reserve  
36 multiple that schedule "M" or any lower  
37 schedule is to be in effect for a given rate  
38 year, then STAR contributions shall be at the

1 rate resulting from the difference between  
2 schedule "O" and schedule "M" as shown on the  
3 line of the table in paragraph B in column A  
4 where the reserve ratio is indicated.

5 Sec. 10. 26 MRS A c. 13, sub-c. X is enacted to  
6 read:

7 SUBCHAPTER X

8 STRATEGIC TRAINING FOR ACCELERATED REEMPLOYMENT  
9 PROGRAM

10 §1271. Program title

11 The program established in this subchapter shall  
12 be known and may be cited as STAR.

13 §1272. Program goals

14 The purpose of this subchapter is to establish an  
15 employment training program to provide unemployed or  
16 displaced workers with skills training and support  
17 which lead to jobs in stable and expanding industries,  
18 as well as support services so that individuals are  
19 able to take advantage of educational and training  
20 opportunities. A further purpose of the STAR program  
21 is to provide employers with trained workers by  
22 ensuring that the training provided is consistent with  
23 the needs of employers.

24 §1273. Administration

25 The Department of Labor shall administer the STAR  
26 program. The commissioner shall adopt rules under the  
27 Maine Administrative Procedure Act, Title 5, chapter  
28 375, to implement the STAR Program.

29 §1274. Funding

30 STAR shall be funded under section 1221,  
31 subsection 4. Grant funds shall be distributed in the  
32 following manner.

33 1. Grant administration. Up to 14% of the funds



1 may be used for grant administration.

2 2. Emergency programs. The Bureau of Employment  
3 and Training Programs shall reserve 5% of the funds  
4 for emergency programs to deal with plant closings or  
5 mass layoffs.

6 3. Annual allocation; county. Each county shall  
7 receive an annual allocation based on the number of  
8 individuals unemployed during the calendar year  
9 preceding the program year.

10 4. Service delivery area. No service delivery  
11 area may be allotted less than 90% of its allotment  
12 percentage for the preceding program year.

13 §1275. Participant eligibility

14 To be eligible to participate in the STAR program  
15 an individual must not have received STAR services  
16 during the preceding 24-month period. In addition, an  
17 individual must:

18 1. Unemployment. Be unemployed and receiving  
19 unemployment compensation benefits at the time of  
20 application and have registered for the STAR program  
21 prior to the end of the 8th week of collecting  
22 unemployment compensation benefits. An exception to  
23 the time limitation may be granted for good cause  
24 shown. The commissioner shall establish standards to  
25 determine good cause. The commissioner's decision is  
26 final agency action under Title 5, section 11002, for  
27 purposes of judicial review;

28 2. Notice of pending job displacement. Have  
29 received notice of pending job displacement due to  
30 either a reduction in overall employment within a  
31 business or a substantial change, due to technological  
32 or other reasons, in the skills required of an ongoing  
33 job; or

34 3. Special eligibility conditions. Have received  
35 unemployment compensation benefits between January 1,  
36 1988, and June 30, 1988, and register for the STAR

1 program by August 31, 1988.

2 §1276. Participant certification

3 1. Notification. Claimants shall receive both  
4 written and oral notice of the STAR program when they  
5 apply for unemployment compensation benefits. The  
6 notice shall explain the program's eligibility  
7 requirements, the importance of entering training  
8 early in a claimant's term of unemployment, the  
9 availability of unemployment compensation benefits to  
10 claimants in approved training and the availability of  
11 extended benefits for dislocated workers in approved  
12 training for up to 26 weeks. Interested individuals  
13 shall be referred to the Maine Job Service for a  
14 determination of eligibility and referral to testing  
15 and counseling centers.

16 2. Service providers. Service providers under  
17 the United States Job Training Partnership Act, Public  
18 Law 97-300, shall provide assessment services to  
19 eligible STAR participants in accordance with annual  
20 contracts negotiated between the service delivery  
21 areas and the Bureau of Employment and Training  
22 Programs. These services shall include a review of  
23 previous employment, education and training. Academic  
24 and vocational testing may be provided, as well as  
25 occupational counseling.

26 3. Individual employment plan. At the end of the  
27 assessment process, an individual employment plan  
28 shall be developed for each participant based on the  
29 results of the assessment, the participant's  
30 occupational preference and the occupational  
31 opportunities available as determined under section  
32 1279, subsection 1, including opportunities in  
33 nontraditional occupations. The plan shall identify  
34 the occupation selected and what additional training  
35 and education is necessary. If the occupation is one  
36 for which an apprenticeship program may be available,  
37 the State Apprenticeship and Training Council shall be  
38 notified, and shall determine what additional training  
39 or education may be necessary for indenturing in an  
40 apprentice program.

1       4. STAR participant. A STAR participant, who has  
2 been assessed and has received an individual  
3 employment plan, may be provided with a training  
4 voucher of up to \$3,000 under section 1278. This  
5 voucher will enable STAR participants to enter into  
6 training for occupations approved under section 1279,  
7 subsection 1, to be conducted by training agents  
8 certified pursuant to section 1279, subsection 4. The  
9 STAR voucher is valid for 12 weeks for STAR  
10 participants to enter training initially, unless an  
11 extension for cause is approved by the United States  
12 Job Training Partnership Act service providers.

13 §1277. Training opportunities

14       The following training options are available to  
15 STAR participants provided that occupational and skill  
16 training takes place in occupations approved under  
17 section 1279:

18       1. General occupational training. Training in  
19 skills found in a traditional occupation that is in  
20 general demand throughout an area of industry. The  
21 training shall be conducted in a classroom setting;

22       2. On-the-job training. Individualized skill  
23 training for a person who is hired and trained by a  
24 private or public employer. The employer shall  
25 provide the training through a contractual arrangement  
26 which specifies the length of training and skills to  
27 be acquired. STAR shall reimburse the employer for up  
28 to 50% of the training costs incurred;

29       3. Customized occupational training. Customized  
30 occupational training in skills specific to an  
31 employer or group of employers. This training shall  
32 be developed around employment opportunities for which  
33 a demand is clearly demonstrated, for which  
34 opportunities exist for promotion or for which skills  
35 transferability is probable. Each participating  
36 employer must supply a formal commitment to hire the  
37 trained individuals upon completion of training. The  
38 employer shall participate in the design of the  
39 curriculum and in the selection of the training. The

1 employer shall pay 50% of the training costs and the  
2 STAR program shall pay the remaining 50%;

3 4. Employment competency training. Employment  
4 competency training in preemployment skills. This  
5 component consists of structured activities designed  
6 to assess basic employment competency and to provide  
7 remedial training in such areas as job-seeking skills,  
8 interviewing and resume writing. Employment  
9 competency training may only be used if it leads to  
10 vocational skills training;

11 5. Educational skills training. Training in  
12 academic and learning skills. This component consists  
13 of training aimed at correcting deficiencies in  
14 language and in computational skills or providing  
15 needed credentials that are recognized by employers  
16 and the educational community. Educational training  
17 shall be structured to provide the individual with the  
18 prerequisite level of education of the occupation  
19 identified on the individual's STAR certification.  
20 The duration of educational training shall be  
21 determined by the needs of the individual claimant; and

22 6. Enrollment. Enrollment in one or a  
23 combination of training opportunities is limited to 52  
24 weeks duration except under the following conditions:

25 A. An employer guarantees placement and  
26 contributes a minimum of 50% of the training  
27 costs; or

28 B. A participant contributes a minimum of 50% of  
29 the training costs. For purposes of this  
30 paragraph, any financial assistance received by a  
31 participant for educational purposes shall be  
32 counted towards that participant's contribution.

33 §1278. Training and supportive services

34 STAR participants are eligible to receive the  
35 following training and supportive services.

36 1. Training voucher. A training voucher of up to  
37 \$3,000 for the following activities:

1        A. Tuition for education and training;

2        B. Training materials or books necessary for  
3        participation in the training;

4        C. Payment for dependent care costs provided  
5        those costs do not exceed the prevailing regional  
6        rate for such care; and

7        D. Travel payments according to the policies  
8        established by the United States Job Training  
9        Partnership Act service providers.

10        2. Continuation of benefits. Provided the  
11        participant meets the eligibility requirements of  
12        sections 1192 and 1193, the participant is entitled to  
13        the continuation of unemployment compensation benefits  
14        while enrolled in STAR training until the individual's  
15        benefits are exhausted under employment security law.

16        3. Exception to limitations. While a participant  
17        is collecting unemployment benefits, an exception to  
18        the limitations set forth in subsection 1 shall be  
19        granted for supportive services when additional funds  
20        for transportation and dependent care are necessary  
21        for the participant to complete the training specified  
22        in the individual employment plan and the participant  
23        is unable to purchase those services. The  
24        commissioner shall adopt rules under the Maine  
25        Administrative Procedure Act, Title 5, chapter 375, to  
26        determine the requirements for these exceptions.

27        §1279. Employment and training review panel

28        Each private industry council established under  
29        the United States Job Training Partnership Act shall  
30        establish an employment and training review panel.  
31        Each private industry council shall appoint a chairman  
32        and membership to the panels which shall each consist  
33        of 9 members, including 3 representatives of business,  
34        3 representatives of labor, one representative of  
35        economic development, one representative of  
36        community-based organizations and one representative  
37        of the general public. The panels shall:

1           1. Identify and approve occupations. Annually  
2 identify occupations that are stable or subject to  
3 growth in their areas and approve them for STAR  
4 program eligibility. Approved occupations must meet  
5 the performance standards under subsection 3. All  
6 occupations included in the department's most recent  
7 edition of the publication "Selected Occupational  
8 Information for Employment and Training Program  
9 Design" for the appropriate county or counties shall  
10 be approved occupations. In addition, occupations may  
11 be approved as follows:

12           A. The panel may approve occupations identified  
13 by the panel following an assessment of local  
14 economic factors; or

15           B. STAR participants may petition the panel to  
16 approve an occupation;

17           2. Review curricula. Review the curricula for  
18 classroom and customized vocational training in their  
19 areas for consistency with employers' needs;

20           3. Set performance standards. Set performance  
21 standards in their areas, including placement of  
22 participants in jobs, wage levels at placement,  
23 retention of employment and career ladder options; and

24           4. Annual certification. Annually certify the  
25 demonstrated effectiveness of training agents in  
26 delivering training in their areas according to the  
27 performance standards established in this section. At  
28 the completion of training, these agents shall provide  
29 placement services to the STAR participants and shall  
30 report to the panel on placement status and the  
31 competency attained.

32           §1280. Appeal procedure

33           1. Right to appeal. All determinations under  
34 this subchapter shall be made promptly in writing. A  
35 claimant who is aggrieved by any decision or action  
36 made under this subchapter may appeal to the  
37 commissioner pursuant to the Maine Administrative

1 Procedure Act, Title 5, chapter 375. This does not  
2 apply to section 1275, subsection 1.

3 2. Time limits for appeal. A determination is  
4 final 15 days after it is mailed or hand delivered,  
5 unless the claimant files an appeal. The 15-day  
6 appeal period may be extended up to 15 additional days  
7 if the claimant can show good cause. The commissioner  
8 shall establish standards to determine good cause.

9 3. Final agency action. A decision of the  
10 hearing officer designated by the commissioner is  
11 final agency action under Title 5, section 11002, for  
12 purposes of judicial review.

13 §1280-A. Monitoring, evaluation and annual report

14 1. Monitoring and evaluation. The Bureau of  
15 Employment and Training Programs shall monitor and  
16 evaluate the STAR program each year.

17 2. Report. The Bureau of Employment and Training  
18 Programs shall prepare a report for the joint standing  
19 committee of the Legislature having jurisdiction over  
20 labor by January 1st of each year. This report shall  
21 include, but not be limited to:

22 A. A description of the training programs and  
23 services provided during the previous program year;

24 B. The results of the training, including the  
25 numbers of employees entering nontraditional  
26 occupations; and

27 C. A discussion of the training programs and  
28 services available in the coming program year  
29 based on information supplied by the service  
30 delivery areas.

31 Sec. 11. Sunset. This Act is repealed 3 years  
32 from its effective date. Any person who has qualified  
33 to receive benefits under this Act at the time of  
34 repeal shall continue to be governed by the repealed  
35 provision. Any money in the STAR Fund not allocated  
36 for participant support at the time of repeal shall





1 the nature of occupations changes, it is becoming  
2 increasingly difficult for employers to obtain  
3 available, skilled workers. The new jobs in the State  
4 are going to require a higher level of education and  
5 new, diverse skills. Statistics show that 44% of the  
6 persons who have exhausted their unemployment  
7 compensation benefits have less than a high school  
8 education and lack the skills necessary to obtain  
9 stable employment.

10 The purpose of this new draft is to provide  
11 workers who experience job displacement with education  
12 and training opportunities that lead to jobs in stable  
13 and expanding industries. The program also provides  
14 support services, such as continued unemployment  
15 benefits, assistance with child care costs,  
16 transportation and training materials to ensure that  
17 the individual has the support necessary to take  
18 advantage of these training and reemployment  
19 opportunities.

20 The Strategic Training for Accelerated  
21 Reemployment, (STAR) program will be operated by the  
22 Department of Labor. Funding shall be derived from  
23 employers from contributions collected under  
24 unemployment compensation programs.

25 The new draft corrects technical errors in the  
26 original bill. It also grandfathers people currently  
27 receiving unemployment compensation to take part in  
28 the program, clarifies the requirements for notifying  
29 unemployed workers and ensures that claimants have  
30 input into individual employment plans that are  
31 developed under the program. In addition, the new  
32 draft establishes an appeal process for any  
33 determinations made under the program, adds  
34 flexibility for covering the cost of dependent care  
35 and transportation and, after a year of training,  
36 allows participants to supplement training costs with  
37 any financial assistance for education.

38 The new draft also sets up procedures to approve  
39 eligible occupations for training under the program.  
40 The Bureau of Training and Employment Programs will  
41 review the program and annually report to the  
42 Legislature.